## **Introduced by Assembly Member Daly**

February 26, 2015

An act to add Section 798.62 to the Civil Code, relating to mobilehomes.

## LEGISLATIVE COUNSEL'S DIGEST

AB 999, as introduced, Daly. Mobilehomes: disposal.

The Mobilehome Residency Law governs tenancies in mobilehome parks, including, among other things, imposing various duties on the owners or managers of mobilehome parks.

This will would authorize the management of a mobilehome park to dispose of a mobilehome, as provided, left upon the premises by a tenant or lienholder under specified circumstances. This bill would require the landlord, prior to disposing of the mobilehome, to provide written notice to the tenant and owner, and would require the notice to contain specified information. This bill would also require the landlord to provide a copy of the notice to specified persons, including, among others, a lienholder. This bill would require the tenant or lienholder to respond to the notice in writing by a date specified, or to remove the mobilehome within 30 days after the mailing of the notice. This bill would require the landlord, after notifying the tenant, to store the abandoned mobilehome and to exercise reasonable care for the mobilehome. This bill would authorize the landlord, if the tenant or lienholder responds to the notice on or before the date specified in the notice, to require payment of storage charges and costs incidental to storage prior to allowing the tenant or lienholder onto the premises to remove the mobilehome. This bill would conclusively presume, if the  $AB 999 \qquad \qquad -2 -$ 

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tenant or lienholder does not respond to the notice on or before the date specified in the notice, that the mobilehome is immediately subject to salvage, demolition, removal, or other abatement, and would provide that the tenant and any lienholder shall have no further right, title, or interest to the mobilehome. This bill would also require the Department of Housing and Community Development to immediately issue a salvage permit at  $\frac{1}{2}$  of the amount that would otherwise be due. This bill would also provide that the landlord is not responsible for any loss to the tenant or lienholder resulting from storage, demolition, salvage, or removal of the mobilehome in compliance with these provisions, and compliance in good faith with these provisions constitutes a complete defense in any action brought by a tenant or lienholder against a landlord for loss or damage to a mobilehome that has been disposed of.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:* 

- SECTION 1. Section 798.62 is added to the Civil Code, to read:
- 798.62. (a) For purposes of this section, all of the following definitions shall apply:
  - (1) "Current market value" means the amount in cash, as determined by the county assessor, that could reasonably be expected to be paid for personal property by an informed buyer to an informed seller, each acting without compulsion in an arm's-length transaction occurring on the assessment date for the tax year or on the date of a subsequent reappraisal by the county assessor.
    - (2) "Certified funds" means certified check or money order.
- 13 (3) "Dispose of the mobilehome" means to throw away, 14 dismantle, salvage, or demolish the mobilehome.
  - (4) "Lienholder" means any of the following:
  - (A) A legal owner as defined by Section 18005.8 of the Health and Safety Code.
- 18 (B) A junior lienholder as defined by Section 18005.3 of the 19 Health and Safety Code.
- 20 (C) The holder of any lien or secured interest provided for in Section 18116.1 of the Health and Safety Code.

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(5) "Substandard" means substandard as defined in Section 1606 of Chapter 2 of Division 1 of Title 25 of the Code of Regulations.

- (b) (1) Management may dispose of a mobilehome as provided by this section.
- (2) This section governs the rights and obligations of landlords, tenants, and any lienholders in any mobilehome left upon the premises by the tenant or any lienholder under any of the following circumstances:
- (A) The tenancy has ended by termination or expiration of a rental agreement or by relinquishment of the premises and the landlord reasonably believes that the owner of the mobilehome has left the mobilehome upon the premises with no intention of asserting any further claim to the premises.
- (B) The tenant has been absent from the premises continuously for seven days after termination of a tenancy by a court order that has not been executed.
- (C) The landlord receives possession of the premises by execution of a writ of possession on a judgment against the tenant, occupants, or owner of the mobilehome.
  - (D) The mobilehome is either of the following:
- (i) A public or private nuisance, irreparable, substandard or, not habitable.
- (ii) Has a current market value of fifteen thousand dollars (\$15,000) or less and is subject to abatement by salvage or demolition.
- (c) (1) Prior to disposing of the mobilehome, the landlord shall provide written notice to the tenant and owner in the following manner:
- (A) Served by certified mail, return receipt requested, addressed and mailed to the tenant and owner of the mobilehome at all of the following:
  - (i) The premises where the mobilehome is located.
- (ii) Any postoffice box held by the tenant and actually known to the landlord.
- (iii) The most recent forwarding address if provided by the tenant or actually known to the landlord, and all addresses for next of kin actually known to landlord.
  - (B) Posted at the premises.

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1 (2) The notice required pursuant to paragraph (1) shall state all 2 of the following:

- (A) The mobilehome left upon the premises is a nuisance and subject to abatement.
  - (B) The mobilehome is stored on the rented space.
- (C) Any lienholder that has a right to claim the mobilehome, except as provided by this section.
- (D) That the landlord reasonably believes the county assessor will determine that the current market value of the mobilehome is fifteen thousand dollars (\$15,000) or less, and that the landlord intends to dispose of the property if the property is not claimed.
- (E) (i) If the tenant or any lienholder fails to respond to the landlord, in writing, by a date specified, or fails to remove the mobilehome within 30 days after the mailing of the notice, the landlord may dispose of the mobilehome.
- (ii) For purposes of this subparagraph, "by a date specified" means a date not less than 30 days after the mailing of the notice.
- (d) (1) The landlord shall also give a copy of the notice described in subdivision (c) to all of the following:
  - (A) Any lienholder.
- (B) The tax collector of the county where the mobilehome is located.
  - (C) The assessor of the county where the mobilehome is located.
- (2) The copy of the notice required pursuant to paragraph (1) shall be given by certified mail, return receipt requested.
- (3) A notice to lienholders under subparagraph (A) of paragraph (1) shall be sent to each lienholder at each of the following addresses:
  - (A) Actually known to the landlord.
  - (B) Of record.
- (e) After notifying the tenant as required pursuant to subdivision (c), both of the following shall apply:
- (1) The landlord shall store the abandoned mobilehome of the tenant on the rented space and shall exercise reasonable care for the mobilehome.
- (2) The landlord is entitled to reasonable or actual storage charges and costs incidental to storage or disposal. The storage charge may be no greater than the monthly space rent last payable by the tenant.

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(f) If a tenant or lienholder, upon receipt of the notice provided by the landlord, responds in writing to the landlord on or before the date specified in the landlord's notice that the tenant or lienholder intends to remove the mobilehome from the premises and pay the storage fees for which they shall then be indebted, the landlord may require payment of storage charges and costs incidental to storage prior to allowing the tenant or lienholder onto the premises to remove the mobilehome. Acceptance by a landlord of this payment does not operate to create or reinstate a tenancy. Failure to allow removal absent payment in certified funds shall not constitute an interference with property or conversion.

- (g) If a tenant or lienholder does not respond on or before the date specified in the landlord's notice, or the tenant or lienholder does not remove the mobilehome within 30 days after responding to the landlord or by a date agreed upon with the landlord, whichever is later, both of the following shall apply:
- (1) The mobilehome is conclusively presumed to be immediately subject to salvage, demolition, removal, or other abatement. The tenant and any lienholder that have been given notice pursuant to subdivision (c) or (d) shall have no further right, title, or interest to the mobilehome and may not claim or sell the property.
- (2) The Department of Housing and Community Development shall immediately issue a salvage permit at one-half of the amount that would otherwise be due.
- (h) A landlord shall not keep and retitle a mobilehome unless all applicable liens, including any lien or secured interest provided for in Section 18116.1 of the Health and Safety Code, have been paid.
- (i) The landlord is not responsible for any loss to the tenant or lienholder resulting from storage, demolition, salvage, or removal of the mobilehome in compliance with this section. Compliance in good faith with this section shall constitute a complete defense in any action brought by a tenant or lienholder against a landlord for loss or damage to a mobilehome disposed of pursuant to this section.
- (j) It is the intent of the Legislature to also enact legislation that would allow the removal of a mobilehome without first requiring a tax clearance certificate from the county tax collector.